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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in China Properties Investment Holdings Limited (the “**Company**”), you should at once hand this circular to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

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**CHINA PROPERTIES INVESTMENT HOLDINGS LIMITED****中國置業投資控股有限公司\****(Incorporated in Bermuda with limited liability)*

(Stock Code: 736)

**MAJOR TRANSACTION  
FOR DISPOSAL OF INTERESTS IN REAL PROPERTY**

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A notice convening a special general meeting (the “**SGM**”) of the Company to be held on Friday, 31 July 2009 at 10:30 a.m. at Falcon Room 1, Luk Kwok Hotel, 72 Gloucester Road, Wanchai, Hong Kong is set out on pages 24 to 25 of this circular. A form of proxy for the SGM is enclosed with this circular. Whether or not you are able to attend the SGM, you are encouraged to complete and return the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the branch share registrar of the Company in Hong Kong, Tricor Secretaries Limited at 26/F., Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong as soon as possible and in any event no later than 48 hours before the time appointed for the holding of the SGM. Completion and return of the enclosed form of proxy will not preclude you from attending and voting in person at such meeting or any adjournment meeting should you so wish.

14 July 2009

\* *for identification purpose only*

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## DEFINITIONS

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*In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:*

“associates”	has the meaning ascribed to this term under the Listing Rules
“Board”	the board of Directors
“Business Day”	a day (other than a Saturday, Sunday or public holiday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“Bye-Laws”	the bye-laws of the Company
“Company”	China Properties Investment Holdings Limited, a company incorporated in Bermuda with limited liability and the issued shares of which are listed on the main board of the Stock Exchange
“Completion”	completion of the sale and purchase of the Property in accordance with the terms and conditions of the Sale and Purchase Agreement
“connected person”	has the meaning ascribed to this term under the Listing Rules
“Consideration”	the aggregate consideration of RMB40.00 million (equivalent to approximately HK\$45.45 million) payable by the Purchasers to the Vendor for the Disposal and to be satisfied in the manner as described in this circular
“Directors”	directors of the Company
“Disposal”	the disposal of the Property by the Vendor as contemplated under the Sale and Purchase Agreement
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	any person or company and their respective ultimate beneficial owner(s) which, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and its connected persons (as defined in the Listing Rules)

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## DEFINITIONS

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“Latest Practicable Date”	10 July 2009, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, which for the purpose of this circular shall exclude Hong Kong, Taiwan and Macau Special Administrative Region
“Property”	the whole of basement level one and ground level of the commercial unit situated at Nos. 277 and 289 Lan Xi Road, Putuo District, Shanghai, the PRC
“Purchasers”	Hu Xi Niu, Hu Zhi Shu, Hu Biao, Hu Sui Bian, Hu Sui Dan, Hu Bin, Zhu Chang Jun, Zhou Mei Hong <sup>#</sup>
“Sale and Purchase Agreement”	the conditional sale and purchase agreement dated 22 June 2009 entered into between the Purchasers and the Vendor in relation to the sale and purchase of the Property
“SFO”	Security Futures Ordinance (Chapter 571 of the laws of Hong Kong)
“SGM”	the special general meeting of the Company to be held on Friday, 31 July 2009 at 10:30 a.m. to consider and, if thought fit, approve the Sale and Purchase Agreement and the transactions contemplated thereunder
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Shanghai Xiang Chen Hang Place The Industry Co. Limited, a company established in the PRC with limited liability and is a wholly-owned subsidiary of the Group
“HK\$”	Hong Kong dollars, the lawful currency for the time being of Hong Kong

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## DEFINITIONS

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“RMB” Renminbi, the lawful currency of the PRC

“%” per cent.

*For the purpose of illustration only, amounts denominated in RMB in this circular have been translated into HK\$ at the rate of RMB0.88 = HK\$1. Such translation should not be construed as a representation that the amounts in question have been, could have been or could be converted at any particular rate at all.*

*# The English translation of Chinese names or words in this announcement is included for information purpose only, and should not be regarded as the official English translation of such Chinese names or words.*

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**LETTER FROM THE BOARD**

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**CHINA PROPERTIES INVESTMENT HOLDINGS LIMITED**  
**中國置業投資控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 736)

*Executive Directors:*

Ms. Yu Wai Fong

Mr. Au Tat On

*Independent non-executive Directors:*

Mr. Lam Man Yui

Mr. Lai Wai Yin, Wilson

Ms. Cao Jie Min

*Registered office:*

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

*Head office and principal place  
of business in Hong Kong:*

Room 2001, 20/F.

Lippo Centre Tower Two

89 Queensway Road

Hong Kong

14 July 2009

*To the Shareholders*

Dear Sir or Madam,

**MAJOR TRANSACTION  
FOR DISPOSAL OF INTERESTS IN REAL PROPERTY**

**INTRODUCTION**

On 26 June 2009, the Board announced that on 22 June 2009, the Vendor entered into the Sale and Purchase Agreement with the Purchaser in relation to the Disposal of the Property for an aggregate consideration of RMB40.00 million (equivalent to approximately HK\$45.45 million).

The purpose of this circular is to provide further details of the Disposal and general information of the Group.

\* *for identification purpose only*

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## LETTER FROM THE BOARD

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### THE SALE AND PURCHASE AGREEMENT

**Date:** 22 June 2009

**Parties:**

(1) Vendor : Shanghai Xiang Chen Hang Place The Industry Co. Limited, a subsidiary which is owned as to 100% by the Group

(2) Purchaser : Hu Xi Niu, Hu Zhi Shu, Hu Biao, Hu Sui Bian, Hu Sui Dan, Hu Bin, Zhu Chang Jun, Zhou Mei Hong<sup>#</sup>

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of the Purchasers is an Independent Third Party.

#### **Asset to be disposed**

Pursuant to the Sale and Purchase Agreement, the Purchaser has agreed to acquire and the Vendor has agreed to sell the Property.

#### **Consideration**

The Consideration for the Property shall be the sum of RMB40.00 million (equivalent to approximately HK\$45.45 million).

The Consideration was settled by the Purchasers in the following manner: (a) RMB30.50 million (equivalent to approximately HK\$34.66 million) was paid by the Purchasers on the date of signing of the Sale and Purchase Agreement to repay the bank indebtedness of RMB30.50 million (equivalent to approximately HK\$34.66 million) in respect of the mortgage under which the Property is subject to; and (b) the balance of RMB9.50 million (equivalent to approximately HK\$10.79 million) was paid in cash by the Purchasers to the Vendor on the date of signing of the Sale and Purchase Agreement.

The Consideration was determined at arms length negotiation between Vendor and Purchasers with reference to an indicative preliminary valuation conducted by Castores Magi (Hong Kong) Limited on the Property.

The Consideration for the Property was agreed between the Vendor and the Purchasers after arm's length negotiations after considering the valuation of the Property. As such, the Directors (including the independent non-executive Directors) consider that the terms of the Disposal to be fair and reasonable and on normal commercial terms and are in the interests of the Company and the Shareholders as a whole.

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## LETTER FROM THE BOARD

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### Conditions Precedent

Completion shall be conditional upon and subject to:

- (a) all necessary consents, approvals and authorizations in relation to the transactions contemplated under the Sale and Purchase Agreement having been obtained by the Vendor of the Property;
- (b) there being no matter, fact or circumstance which constituted or is likely to constitute any breach of the provision or the warrants given by the Vendor of the Property;
- (c) the Company obtaining all necessary consents and approvals including the passing of the necessary ordinary resolutions at the SGM by the Shareholders approving the Disposal;
- (d) the Purchasers having satisfied with the results of its due diligence review of the Property; and
- (e) the Vendor providing a written confirmation to the satisfaction of the Purchaser that the mortgage of the Property have been discharged.

Save for conditions (a), (c) and (e) above which are not waivable, the Purchaser may waive any of the above conditions. If the conditions have not been satisfied on or before 31 December 2009, or such later date as the Vendor and the Purchasers may agree, the Sale and Purchase Agreement shall cease and determine.

As at the Latest Practicable Date, condition (a) of the above has been satisfied.

### Completion

Completion shall take place at 4:00 p.m. on the date falling ten Business Days after the fulfilment (or waiver) of the conditions or such later date as may be agreed between the Vendor and the Purchasers.

### INFORMATION ON THE TARGET

The Property is the whole of basement level one and ground level of a commercial unit situated at Nos. 277 and 289 Lan Xi Road, Putuo District, Shanghai, the PRC, which was acquired by the Group on 21 August 2006. The total gross floor area of the Property is approximately 3,732.33 square meter. The Property is currently leased to a tenant who is an Independent Third Party. The gross rental income received for the Property for each of the two financial years ended 31 March 2009 immediately preceding the Disposal amount to approximately RMB6.3 million and RMB5.1 million respectively. The net profit (before taxation and extraordinary items) of the Property for each of the

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## LETTER FROM THE BOARD

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two financial years ended 31 March 2009 amount to approximately RMB3.8 million and RMB2.8 million respectively. The net profit (after taxation and extraordinary items) of the Property for each of the two financial years ended 31 March 2009 amount to approximately RMB2.8 million and RMB1.9 million respectively. Upon disposal of the Property, the Company shall no longer receive rental income from the Property and shall no longer necessary to pay the expenses for interests of bank indebtedness, rates, management expenses etc.

The Property is currently mortgaged to a bank for RMB30.50 million (equivalent to approximately HK\$34.66 million). The Company will apply the proceeds from the Disposal to repay the bank indebtedness of RMB30.50 million and procure the release of the mortgage upon Completion. The Property will be sold free of encumbrances. The Company will cease to have any obligations over the Property after Completion.

### FINANCIAL EFFECT OF THE DISPOSAL

The Property has been valued by Castores Magi (Hong Kong) Limited, an independent professional valuer, at approximately HK\$54.61 million (equivalent to approximately RMB48.06 million) as at 30 April 2009 on a market basis by reference to comparable market transactions. The net book value of the Company's interests in the Property as at 30 September 2008 was approximately HK\$108.78 million. Based on the consideration for the Property of RMB40.00 million (equivalent to approximately HK\$45.45 million) and after deducting the expenses in relation to the Disposal, it is expected that a net loss will accrue to the Group by approximately HK\$63.33 million.

Upon Completion, the consolidated total assets of the Group will decrease by approximately HK\$108.78 million and the total liabilities will decrease by approximately HK\$34.66 million and the earnings of the Group will decrease as the Company will no longer receive any rental income from the Property.

### REASONS FOR THE DISPOSAL

The Group is principally engaged in property investment.

The Property has been valued by Castores Magi (Hong Kong) Limited at approximately HK\$54.61 million (equivalent to approximately RMB48.06 million) as at 30 April 2009 and the value of the Property has decreased substantially since the Group acquired the Property in 2006.

Before the Disposal, the Property consisted of the whole of basement level one and ground level and advertising space of the commercial unit situated at Nos. 277 and 289 Lan Xi Road, Putuo District, Shanghai, the PRC. During the year ended 31 March 2009, the gross income arising from such advertising space amounted to approximately RMB1.4 million. Pursuant to a letter dated 20 March 2009 issued by the Vendor, the advertising space of the Property was demolished by virtue of safety consideration and reduction of maintenance costs. As such, the rental income arising from the Property is expected to decrease substantially in the coming years.

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## LETTER FROM THE BOARD

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Although there is recent improvement in the market sentiment of Shanghai property market, the Board is not optimistic on the overall trend of the property market in the PRC in the long run due to unforeseeable and uncontrollable factors during the period of global recession. The Directors consider that in view of the slower economic growth of the PRC and uncertainty in the economic recovery period, the prospect of the real property market in Shanghai will continue to be affected. As the property concerned is situated in the outskirts of Putuo District, Shanghai and have throughout the years deteriorated, the Board believes that the profitability potential of the Property will be reduced in the medium and long terms and the foreseeable increase in the property value of the Property is limited.

On the other hand, the Disposal provides a good opportunity for the Company to realise part of the investment and to strengthen the cash position and provide immediate cash flow for the Group. The Property was pledged to a bank to secure banking facilities of RMB30.50 million (equivalent to approximately HK\$34.66 million). The proceeds from the Disposal will be utilised to repay the bank indebtedness and procure the release of the mortgage. Upon completion of the Disposal, the mortgage loan granted to the Vendor in respect of the Property will be released. The Company also intends to apply the proceeds as general working capital of the Group and to finance the acquisition of the entire equity interest of Main Pacific Group Limited, details of which are set out in the circular of the Company dated 30 June 2009.

The Vendor has appointed two real estate agents in Shanghai since December 2008 to sell the Property. However, the Vendor could not identify any purchaser through such real estate agents who was willing to acquire the Property with a selling price higher than the Consideration. The Vendor identified the Purchasers through one of the real estate agents after it has reduced the selling price of the Property to the Consideration.

The estimated net proceeds before tax receivable by the Group for the Disposal will be in the amount of approximately RMB38.8 million (equivalent to approximately HK\$44.09 million). The Directors intend to utilise the net proceeds from the Disposal as to RMB30.50 million (equivalent to approximately HK\$34.66 million) for the repayment of bank indebtedness secured by the Property and as to the remaining approximately RMB8.3 million (equivalent to approximately HK\$9.43 million) for general working capital of the Group.

The Directors consider that the Consideration is reasonable and the Disposal represents a good opportunity for the Group to realise the Property and to reduce the bank indebtedness of the Group which in turn release the interest burden of the Group in the future. Taking into account of the valuation of the Property, the Board is of the view that the terms of the Disposal are fair and reasonable and the Disposal is in the interests of the Company and the Shareholders as a whole.

### LISTING RULES IMPLICATION

The Disposal constitutes a major transaction on the part of the Company under Chapter 14 of the Listing Rules and is subject to the Shareholders' approval at the SGM.

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## LETTER FROM THE BOARD

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To the best of the Directors' knowledge and information, no Shareholders have a material interest in the Disposal and accordingly, no Shareholder is required to be abstained from voting for the relevant resolution at the SGM to approve the Disposal and the transactions contemplated thereunder.

### SGM

A notice convening the SGM to be held at Falcon Room 1, Luk Kwok Hotel, 72 Gloucester Road, Wanchai, Hong Kong on Friday 31 July 2009 at 10:30 a.m. is set out on pages 24 to 25 of this circular.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, there is (i) no voting trust or other agreement or arrangement or understanding entered into by or binding upon any Shareholder; and (ii) no obligation or entitlement of any Shareholder as at the Latest Practicable Date, whereby its has or may have temporarily or permanently passed control over the exercise of the voting right in respect of its Shares to a third party, either generally or on a case-by-case basis.

A form of proxy for use at the SGM is enclosed with this circular. Whether or not you intend to attend and vote at such meeting, you are requested to complete and return the enclosed form of proxy to the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish.

### RECOMMENDATION

The Board considers that the terms of the Disposal is fair and reasonable and are in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the ordinary resolution as set out in the notice of the SGM.

### GENERAL

Your attention is drawn to the general information set out in the appendices of this circular.

By order of the Board  
**China Properties Investment Holdings Limited**  
**Yu Wai Fong**  
*Chairman*

**1. INDEBTEDNESS**

As at the close of business on 31 May 2009, being the latest practicable date for the purpose of ascertaining certain information relating to this indebtedness statement prior to the printing of this circular, the Group had total outstanding borrowings of RMB90,500,000 (equivalent to approximately HK\$102,840,000), being secured bank loans which were secured by the investment properties of the Group of approximately HK\$124,149,000 as at the valuation dated 30 April 2009.

Save for the aforesaid, the Group did not have any other borrowings or indebtedness in the nature of borrowing of the Group including mortgages, charges, debentures, loan capital, bank loans and overdrafts, debt securities or other similar indebtedness, finance leases or hire purchase commitments, liabilities under acceptances or acceptance credits, or any guarantees, or other material contingent liabilities outstanding. For the purpose of this indebtedness statement, foreign currency amounts have been translated into Hong Kong dollars at the approximately rates of exchange prevailing as at 31 May 2009. The Directors are not aware of any material adverse changes in the Group's indebtedness position and contingent liabilities since 31 May 2009.

**2. MATERIAL ADVERSE CHANGE**

Based on preliminary assessment of the management accounts of the Group and the information currently available to the Company, it is expected that the audited consolidated net loss of the Group for the year ended 31 March 2009 to show a significant increase as compared to the unaudited consolidated net loss of the Group for the six months ended 30 September 2008. Such decline was primarily attributable to the loss resulting from the change of fair value on the Group's investment properties in the PRC. Further details of which are set out in the announcement of the Company dated 26 June 2009.

Save as disclosed above, as at the Latest Practicable Date, the Directors confirmed that there had been no material adverse change in the financial or trading position or prospect of the Group since 31 March 2008, the date to which the latest published audited financial statements of the Group were made up.

**3. WORKING CAPITAL**

The Directors, after due and carefully enquiry, are of the opinion that following the Completion, after taking into account the financial resources available to the Group, including internally generated funds and the available banking facilities, the Group, after the completion of very substantial transaction and connection transactions as set out in the circular of the Company dated 30 June 2009, will not have sufficient working capital for its present requirements for a period of 12 months from the date of this circular. In this respect, the Directors will seek other possible financing alternatives (including both equity financing, i.e. the issue of new Shares, and debt financing, i.e. borrowings from banks/financial institutions) in order to fulfil the future working capital requirements of the Group if necessary.

#### 4. FINANCIAL AND TRADING PROSPECTS

As stated in the interim report of the Company for the six months ended 30 September 2008, the prolonged economic austerity measures of the PRC during the first half of 2008 and the volatility of the global financial market adversely affected the property sector in the PRC. In addition, Shanghai is now facing the problem of oversupply in commercial properties. In accordance with the recently published property market research, Shanghai will take at least four years to fully digest the existing vacant commercial properties as well as the new supplies in foreseeable future. As the industry outlook remains weak, it is not too surprising with dramatic downturn of the PRC's property market.

The global financial crisis has continued to shake global markets and the global economy is likely to slip into recession. The Directors believe it will lead to a slowdown in the PRC's economic growth in the years to come. As the operations of the Group are primarily located in the PRC, it will have adverse impact on the financial performance of the Group inevitably. The Group will adopt conservative strategies in its business development in short-term and will also exercise stringent cost control during the depressing time.

Although there is recent improvement in the market sentiment of Shanghai property market, the Board is not optimistic on the overall trend of the property market in the PRC in the long run due to unforeseeable and uncontrollable factors during the period of global recession. The Directors consider that in view of the slower economic growth of the PRC and uncertainty in the economic recovery period, the prospect of the real property market in Shanghai will continue to be affected.

Recently, the PRC government has decisively promulgated a series of economic stimulus measures and reinstated nonferrous industry. Various measures have been put in place to stimulate domestic demand and stabilize market conditions. All these measures would likely to have a positive impact on the non-ferrous industry in the PRC.

In view of the possible continual economic growth in the PRC, it is expected that demand for nonferrous metals (in particular copper and molybdenum) will be sustainably high in long run. The Directors hence consider that it is beneficial for the Group to penetrate into the non-ferrous metals industry as an alternative investment opportunity to diversify the existing business portfolio of the Group and to broaden the Group's income source. As such, the Company entered into the sale and purchase agreement dated 4 June 2009 between Gold Trinity International Limited for the acquisition of a copper and molybdenum mine located at Keshi Ketengqi Sanyixiang, Yongsheng Cun, Jingpeng Zhen, Chifeng City, Inner Mongolia, the PRC mine, details of which are set out in the circular of the Company dated 30 June 2009.

The Directors consider that such acquisition will enable the Group to diversify its current business to participate in the non-ferrous market, which will broaden the Group's income base and improve its financial performance.

*The following is the text of a letter and valuation certificate, prepared for the purpose of incorporation in this circular received from Castores Magi (Hong Kong) Limited, an independent valuer, in connection with its valuation as at 30 April 2009 of the Property.*

嘉漫(香港)有限公司  
CASTORES MAGI (HONG KONG) LIMITED  
REGISTERED PROFESSIONAL SURVEYORS  
REAL ESTATE, MINERALS, MACHINERY & EQUIPMENT AND BUSINESS VALUERS

CASTORES



MAGI

Suite 211,  
China Insurance Group Building,  
141 Des Voeux Road Central,  
Hong Kong

14 July 2009

The Directors  
China Properties Investment Holdings Limited  
Room 2001, 20/F  
Lippo Centre Tower Two  
89 Queensway  
Hong Kong

Dear Sirs,

In accordance with your instructions to value the property in which China Properties Investment Holdings Limited (the “Company”) and its subsidiaries (together the “Group”) have interest, we confirm that we have carried out inspection, made relevant enquiries and searches and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the value of the property as at 30 April 2009 (the “date of valuation”).

Our valuation of the property interest is our opinion of the Market Value which we would define as “the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.” Market value is understood as the value of an asset estimate without regard to costs of sale or purchase and without offset for any associated taxes.

Our valuation of the property interest has been made on the assumption that the owner sells the property on the market in its existing state without the benefit of a deferred term contracts, leaseback, joint venture, management agreement or any similar arrangement which would serve to increase the value of the property.

The property interest has been valued on a market basis by reference to comparable market transactions. This approach rests on the wide acceptance of market price as the best indicator of value and pre-supposes that evidence of recent transactions in the market place can be extrapolated to similar property, subject to allowances for variable factors.

In valuing the property interest, we have adopted the basis of valuation and have made the valuation assumptions in accordance with the HKIS Valuation Standards on Properties (First Edition 2005) published by the Hong Kong Institute of Surveyors.

In valuing the properties in the People's Republic of China (the "PRC"), we have complied with all the requirements contained in the Chapter 5 and Practice Note 12 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

#### **Document/Approval**

Certificate of Real Estate Ownership	Yes
Certificate of Registration of Real Estate of Shanghai Municipality	Yes

In valuing the property interest which is held by the Group for investment, we have adopted the investment approach by capitalizing the net rental incomes receivable from the existing tenancies and the reversionary rental income potential.

We have relied to a considerable extent on the information provided by the Company and have accepted advice given to us on such matters as planning approvals or statutory notices, easements, tenure, occupation, lettings, rental, site and floor areas and all other relevant matters.

We have not carried out detailed site measurements to verify the correctness of the area in respect of the property but have assumed that the site area shown on the documents and official site plans handed to us are correct. Based on our valuation experience of similar properties, we consider the assumptions so made to be reasonable. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations. No on-site measurements have been taken.

We have inspected the property included in the attached valuation certificate, in respect of which we have been provided with such information, as we have required for the purpose of our valuation. However, no site surveys, investigations or examinations have been made, but in the course of our inspections, we did not note any serious defects. We are not, however, able to report that the property is free from rot, infestation or any other structural defects. No tests were carried out to any of the services.

No allowance has been made in our report for any charges, mortgages or amounts owing on the property nor for any expenses or taxation, which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the property is free from encumbrances, such as mortgage and debenture charge, restrictions and outgoings of an onerous nature, which could affect its value.

We have been shown copies of various documents relating to the property. However, we have not searched the original documents to verify any amendments, which may not appear on the copies handed to us. Due to restrictions of the land registration system in the PRC, we are unable to search the original documents to verify the existing title of the property in the PRC or any material encumbrances that might be attached to the property.

The scope of valuation has been determined with reference to the property list provided by the Company. The property on the list has been included in this valuation certificate.

We have had no reason to doubt the authenticity and accuracy of the information provided to us by the Company. We have also sought and received confirmation from the Company that no material factors have been omitted from the information supplied. We consider that we have been provided with sufficient information to reach an informed view, and have no reason to suspect that any material information has been withheld.

Unless otherwise stated, all monetary amounts stated in this valuation certificate are in Hong Kong Dollar. The exchange rate adopted in our valuation of the property interest is the exchange rate prevailing as at the date of valuation being HK\$1=RMB0.88 and there has been no significant fluctuation in the exchange rate between the date of valuation and the date of this letter.

The conclusion of value is based on generally accepted valuation procedures and practices that rely extensively on assumptions and considerations, not all of which can be easily quantified or ascertained exactly. While we have exercised our professional judgment in arriving at the valuation, you are urged to consider carefully the nature of such assumptions, which are disclosed in this report and should exercise caution when interpreting this report.

We hereby certify that we have neither present nor prospective interest in the Company or the value reported.

Our valuation certificate is attached.

Yours faithfully,

For and on behalf of

**Castores Magi (Hong Kong) Limited**

**Deret Au Chi Chung**

*Member of China Institute of Real Estate Appraisers and Agents  
Registered Business Valuer of Hong Kong Business Valuation Forum  
B.Sc. MRICS MHKIS RPS MCI Arb AHKI Arb*

*Director*

*Note:* Deret Au Chi Chung is a Registered Professional Surveyor and has over 16 years of experience in valuing the properties in Hong Kong and the properties of private and state-owned enterprises in over 100 towns and cities in the PRC. He also possesses over 10 years of valuation experience in the Asia-Pacific region. His name is included in the List of Property Valuers for Undertaking Valuations for Incorporation or Reference in Listing Particulars and Circulars and Valuations in Connection with Takeovers and Mergers set forth by the Hong Kong Institute of Surveyors.

## VALUATION CERTIFICATE

## Property interest held by the Group for investment in PRC

Property	Description and tenure	Particulars of tenancy	Capital value in existing state as at 30 April 2009 (HK\$)
Whole of Basement Level One and Ground Level, Nos. 277 and 289 Lan Xi Road, Putuo District, Shanghai, The PRC.	The property comprises whole of Basement Level One and Ground Level of a 5-storey (plus one basement level) commercial building, which was completed in 1997.  The property has a total gross floor area of 3,732.33 sq.m.  The property is held under the land use rights for a term commencing from 30 June 2005 to 29 June 2045.	The property is currently rented to a third party. ( <i>see Note 3 for details</i> ).	54,613,000

## Notes:

- Basement Level One of the property is subject to a Shanghai Certificate of Real Estate Ownership – Hu Fang Di Pu Zi (2005) No. 032997 (上海市房地產權証－滬房地普字(2005)第032997號) dated 8 July 2005 issued by Shanghai Housing and Land Resources Administration Bureau (上海市房屋土地資源管理局) granted to 上海祥宸行置業有限公司 (Shanghai Xiang Chen Hang Place The Industry Co. Limited).
- Ground Level of the property is subject to a Shanghai Certificate of Real Estate Ownership – Hu Fang Di Pu Zi (2005) No. 033005 (上海市房地產權証－滬房地普字(2005)第033005號) dated 8 July 2005 issued by Shanghai Housing and Land Resources Administration Bureau (上海市房屋土地資源管理局) granted to 上海祥宸行置業有限公司 (Shanghai Xiang Chen Hang Place The Industry Co. Limited).
- Pursuant to a Leasing Contract dated 19 August, 2005 made between 上海祥宸行置業有限公司 (Shanghai Xiang Chen Hang Place The Industry Co. Limited) (“Party A”)、上海悅軒企業發展有限公司 (“Party B”)、上海茂宸實業有限公司 (“Party C”) and 上海帝賦苑餐飲娛樂管理有限公司 (“Party D”), the former three parties agreed leasing the whole 6 levels of building (including the Basement Level) located at Nos. 277 and 289, Lan Xi Road, Putuo District, Shanghai to the latter party for a term commencing from 29 July 2005 to 31 March 2015 at a monthly rental of RMB541,667 for the period commencing from 29 July 2005 to 31 March 2006, an annual rental of RMB6,500,000 for the second year commencing from 1 April 2006 to 31 March 2007 and subsequent annual rental increment of RMB200,000 thereafter until the lease expiration date.

4. Pursuant to a Rent Agreement (租金協議) dated 25 December 2005 made among Party A, Party B and Party C, Parties A, B and C are attributable to the monthly rental income of RMB270,000, RMB150,000 and RMB121,667, respectively, commencing from January 2006.
5. Pursuant to a Rent Agreement (租金協議) dated 17 August 2006 made among Party A, Party B and Party C, Parties A, B and C are attributable to the monthly rental income at the percentages of 55.4%, 27.7% and 16.9%, respectively, commencing from 1 January 2007 to 31 March 2015.
6. The property is subject to a Certificate of Registration of Real Estate of Shanghai Municipality (上海市房地產登記證明) pertaining to the Miscellaneous Rights (Mortgage) – Xu 200507031948 (他項權利(抵押) – 徐200507031948) registered on 27 July 2005.
7. Pursuant to a letter dated 20 March 2009 issued by 上海祥宸行置業有限公司, the advertising space of the property was demolished by virtue of safety consideration and reduction of maintenance costs.
8. Pursuant to an Approval Notice (審批通知書) dated 8 June, 2009 issued by Shanghai Bank (上海銀行), the outstanding loan amount of the property upon releasing the mortgage will be equivalent to RMB30,500,000.
9. It is stated in legal opinion given by the Company's PRC legal advisers, inter alia that:
  - (a) 上海祥宸行置業有限公司 (Shanghai Xiang Chen Hang Place The Industry Co. Limited) lawfully possesses, occupies and uses the property and has completed the registration and filing procedures with government consent and approval;
  - (b) 上海祥宸行置業有限公司 (Shanghai Xiang Chen Hang Place The Industry Co. Limited) is the legal titler of the property and has fully settled the acquisition payment. The property could be freely transferred, let and mortgaged to a third property without the consent, approval and permit from the government and paying additional land premium;
  - (c) 上海祥宸行置業有限公司 (Shanghai Xiang Chen Hang Place The Industry Co. Limited) has never signed any contracts with any third party restricting the conveyance, mortgage, lease, transference by gift and permission to use of part or whole of the property and abandoning her interest in the property;
  - (d) Pursuant to a Real Estate Mortgage Contract – DB212070153 (房地產抵押合同 – DB212070153) dated 7 July 2007 made between Shanghai Bank, Jingan Sub-Branch (上海銀行靜安支行) and 上海祥宸行置業有限公司 (Shanghai Xiang Chen Hang Place The Industry Co. Limited), the property was mortgaged to the former party as loan security for a term commencing from 11 July 2007 to 11 July 2017 at a loan amount of part of RMB100,000,000; and
  - (e) The aforesaid Real Estate Mortgage Contract (房地產抵押合同) has been registered at Shanghai Real Estate Registry, Putuo District (上海市普陀區房地產登記處) on 25 July 2007 under Registration Identification No. Pu 200707020673 (登記證明號 – 普200707020673).

**(1) RESPONSIBILITY STATEMENT**

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this document and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

**(2) DISCLOSURE OF INTERESTS****(a) Directors' interests and short positions in the securities of the Company and its associated corporations**

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules, were as follows:

*Long positions in shares of the Company*

<b>Name of Director</b>	<b>Capacity of Shares held</b>	<b>No. of Shares held</b>	<b>Approximate percentage or attributable percentage of shareholdings (%)</b>
Yu Wai Fong	Beneficial owner	512,630,358	20.29

*Long positions in the underlying shares of the share options of the Company*

<b>Name of Director</b>	<b>Date of grant of the share options</b>	<b>Exercise periods of the share options</b>	<b>Exercise price per share</b>	<b>Number of option share outstanding</b>	<b>Number of total underlying shares</b>
Yu Wai Fong	28 November 2007	28 November 2007 to 3 October 2012	HK\$0.60	17,635,000	17,635,000
Au Tai On	28 November 2007	28 November 2007 to 3 October 2012	HK\$0.60	17,635,000	17,635,000

Save as disclosed above, as at the Latest Practicable Date, none of the Directors nor the chief executive of the Company had or was deemed to have any interests and short positions in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules.

**(b) Persons who have an interest or short position which is discloseable under Divisions 2 and 3 of Part XV of the SFO and substantial shareholders**

So far as is known to the Directors and the chief executive of the Company, as at the Latest Practicable Date, the following person (not being Directors or chief executive of the Company) had, or was deemed to have, interests or short positions in the shares or underlying shares of the Company (including any interests in options in respect of such capital) which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who is, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group:

**Substantial shareholders of the Company:**

Name of Director	Capacity of Shares held	No. of Shares held	Approximate percentage or attributable percentage of shareholdings (%)
Gold Trinity International Limited <i>(Note 1)</i>	Beneficial owner	1,300,000,000 <i>(Note 3)</i>	61.50
Han Wei <i>(Note 2)</i>	Interest of a control corporation	1,300,000,000 <i>(Note 3)</i>	61.50

*Notes:*

- Reference is made to the circular of the Company dated 30 June 2009. Pursuant to the sale and purchase Agreement (the “**Sale and Purchase Agreement**”) dated 4 June 2009 entered into among Gold Trinity International Limited (“**Gold Trinity**”) as the vendor and the Company as the purchaser and Mr. Han Wei as the guarantor, the Company conditionally agreed to purchase and Gold Trinity conditionally agreed to sell the entire issued share capital of the Main Pacific Group Limited at the consideration of HK\$300 million.

Part of the consideration mentioned above of HK\$260 million shall be settled by the Company by the issue of convertible bonds (the “**Convertible Bonds**”) within one month upon completion in accordance with the terms and conditions of the Convertible Bonds attached to the Sale and Purchase Agreement at the conversion price of HK\$0.20 per conversion share (subject to adjustments). Gold Trinity shall hold 1,300,000,000 Shares in the Company upon full conversion of the convertible bonds at the initial conversion price of HK\$0.20 per conversion share. Therefore, Gold Trinity is taken to be interested in 1,300,000,000 shares of the Company.

2. Gold Trinity is wholly-owned by Mr. Han Wei and Mr. Han Wei is deemed to be interested in the 1,300,000,000 Shares upon full conversion of the Convertible Bonds. Therefore, Mr. Han Wei is taken to be interested in 1,300,000,000 shares of the Company.
3. The Sale and Purchase Agreement (including the issue of the Convertible Bonds) is subject to the independent shareholders’ approval at the special general meeting of the Company to be held on 16 July 2009.

Save as disclosed above, as at the Latest Practicable Date, the Directors and the chief executive of the Company were not aware of any other person (other than the Directors and the chief executive of the Company) who had, or was deemed to have, interest or short positions in the shares or underlying shares of the Company (including any interests in options in respect of such capital), which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who are, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

### **(3) DIRECTORS’ SERVICE CONTRACTS**

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)).

### **(4) COMPETING INTERESTS**

As at the Latest Practicable Date, none of the Directors or the management Shareholders (as defined in the Listing Rules) or their respective associates has any interest in a business which competes or may compete with the business of the Group or have or may have any conflicts of interests with the Group.

### **(5) LITIGATION**

As at the Latest Practicable Date, save as disclosed below, neither the Company nor any of its subsidiaries was engaged in any litigation or arbitration of material importance and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened against any member of the Group.

In 1998, the Company brought up legal proceedings against ASG Capital Limited and ASG Brokerage Limited (the “**Defendants**”) for breach of the placing and underwriting agreement dated 9 December 1997 in that the Defendants failed to fulfill their underwriting obligations thereunder and for the recovery of HK\$40 million being the economic loss suffered by the Company together with interest and legal cost. The proceedings are now in pre-trial stage of discovery of documents of the parties and the date of the trial has not been fixed. The last action of the parties to the proceedings took place in middle of 2005 when solicitors acting for the Company in the legal proceedings served a notice to inspect documents to those acting for the Defendants.

In 2008, Shanghai Xiang Chen Hang brought up legal proceedings against Shanghai Xu Hui for refund of the deposit of RMB15,044,347 (equivalent to approximately HK\$15,435,500) (the “**Deposit**”) paid by Shanghai Xian Chen Hang together with the accrued interests at an interest rate of 5% per annum (the “**Accrued Interests**”) under the agreement dated 10 July 2007 between Shanghai Xiang Chen Hang and Shanghai Xu Hui. On 17 November 2008, Shanghai Xiang Chen Hang and Shanghai Xu Hui entered into a settlement agreement before 上海市徐匯區人民法院 (Shanghai Xu Hui District Court#) for refund of the Deposits and Accrued Interests (collectively the “**Outstanding Amounts**”) on or before 24 November 2008.

On 1 December 2008, Shanghai Xiang Chen Hang and Shanghai Xu Hui entered into a repayment agreement (the “**Repayment Agreement**”) pursuant to which Shanghai Xu Hui shall repay the Outstanding Amounts in four instalments for the period between 5 December 2008 and 31 March 2009. As represented by the Company, Shanghai Xu Hui has repaid an amount of RMB1,000,000. Shanghai Xiang Chen Hang and Shanghai Xu Hui are in the course of negotiation of the repayment of the balance of the Outstanding Amounts.

## (6) MATERIAL CONTRACTS

The Group had entered into the following contracts within two years immediately preceding the date of this circular and up to the Latest Practicable Date which are contracts not being in the ordinary course of business of the Company or may be material:

- (a) the sale and purchase agreement dated 10 July 2007 between Shanghai Xiang Chen Hang Place The Industry Co. Limited (上海祥宸行置業有限公司) (“**Shanghai Xiang Chen Hang**”), an indirect wholly-owned subsidiary of the Company as purchaser, and Shanghai Xiwu Industry Co., Ltd. (上海錫武實業有限公司) as vendor in relation to the acquisition of the property comprising whole of two commercial floors on Levels 1 and 2 of Shimei Mansion located at No. 445 Jiangning Road, Jiangan District, Shanghai, the PRC at the consideration of HK\$86,487,000, further details of which are set out in the announcement of the Company dated 20 July 2007;
- (b) the sale and purchase agreement dated 10 July 2007 between Shanghai Xiang Chen Hang as purchaser and Shanghai Chen Xuan Trading Co., Ltd. (上海辰炫貿易有限公司) as vendor in relation to the acquisition of the property comprising whole of two commercial floors on Levels 3 and 4 of Shimei Mansion located at No. 445 Jiangning Road, Jiangan District, Shanghai, the PRC, at the consideration of HK\$42,740,000, further details of which are set out in the announcement of the Company dated 20 July 2007;

- (c) the sale and purchase agreement dated 10 July 2007 between Shanghai Xiang Chen Hang as purchaser and Shanghai Xu Hui Co., Ltd. (上海續輝物資有限公司) (“**Shanghai Xu Hui**”) as vendor in relation to the acquisition of the property comprising whole of two office floors on Levels 14 and 15 of Yun Hai Building located at No. 1329 and 1331, Huai Hai Zhong Road, Xuhui District, Shanghai, the PRC at the consideration of HK\$30,871,000, further details of which are set out in the announcement of the Company dated 20 July 2007;
- (d) the underwriting agreement dated 24 July 2007 between Profit Key Group Limited and VC Brokerage Limited as underwriters, the Company and Mr. Zhao Qing Ji as guarantor in relation to the underwriting of the issue of 1,258,178,655.75 offer shares at the price of HK\$0.17 per share to the qualifying shareholders, further details of which are set out in the announcement of the Company dated 24 July 2007;
- (e) the notice of termination dated 2 July 2008 issued by the Company to Shanghai Xu Hui in relation to the cancellation and termination of the sale and purchase agreement mentioned in paragraph (c) above and the request for Shanghai Xu Hui to refund the deposit of HK\$15,435,500 together with the accrued interest at an interest rate of 5% per annum, further details of which are set out in the announcement of the Company dated 2 July 2008;
- (f) the non-legally binding memorandum of understanding (the “**MOU**”) dated 29 July 2008 between the Company as purchaser and Mr. Dai Han Qing (“**Mr. Dai**”) as vendor in relation to the acquisition of the 70% of the equity interest in E Zhou Hongfu Industrial Limited which is interested in 100% of the mining rights in Chenjiawan copper mining sites, E Zhou Zhangqifang iron and copper mining sites and E Zhou Liertang iron mining sites, further details of which are set out in the announcement of the Company dated 29 July 2008;
- (g) the deed of termination dated 25 February 2009 entered between the Company and Mr. Dai in relation to the termination of the MOU, further details of which are set out in the announcement of the Company dated 25 February 2009;
- (h) the placing and subscription agreement dated 20 May 2009 and the supplemental agreement dated 22 May 2009 entered between Ms. Yu Wai Fong as vendor (“**Ms. Yu**”) and Get Nice Securities Limited as placing agent, and the Company and Ms. Yu respectively in relation to (i) the placing of 350,000,000 shares at the placing price of HK\$0.133 per placing share to not less than six independent places; and (ii) the subscription by Ms. Yu and the allotment and issue by the Company of 350,000,000 shares at a price of HK\$0.133 per subscription share, further details of which are set out in the announcements of the Company dated 21 May 2009 and 22 May 2009;

- (i) the sale and purchase agreement dated 4 June 2009 and entered into between Gold Trinity International Limited as the vendor and the Company as the purchaser and Mr. Han Wei as the guarantor, the Company conditionally agreed to purchase and Gold Trinity conditionally agreed to sell the entire issued share capital of the Main Pacific Group Limited at the consideration of HK\$300 million further details of which are set out in the announcement of the Company dated 11 June 2009;
- (j) the Sale and Purchase Agreement; and
- (k) the placing and subscription agreement dated 6 July 2009 entered between Ms. Yu Wai Fong as vendor (“**Ms. Yu**”) and Get Nice Securities Limited as placing agent, and the Company and Ms. Yu respectively in relation to (i) the placing of 412,600,000 shares at the placing price of HK\$0.09 per placing share to not less than six independent places; and (ii) the subscription by Ms. Yu and the allotment and issue by the Company of 412,600,000 shares at a price of HK\$0.09 per subscription share, further details of which are set out in the announcements of the Company dated 6 July 2009.

#### (7) EXPERT AND CONSENT

The following are the qualification of the experts who have given opinions or advice which are contained in this circular:

<b>Name</b>	<b>Qualifications</b>
Castores Magi (Hong Kong) Limited	Professional valuer

Castores Magi (Hong Kong) Limited has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter and/or references to its name in the form and context in which it appears as at the Latest Practicable Date.

As at the Latest Practicable Date, Castores Magi (Hong Kong) Limited does not have any shareholding, directly or indirectly, in any member of the Group or any right or option (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, Castores Magi (Hong Kong) Limited does not have any direct or indirect interests in any assets which had been since 31 March 2008, the date of which the latest published audited consolidated financial statements of the Group were made up, acquired or disposed of by, or leased to, or proposed to be acquired or disposed of by, or leased to, any members of the Group.

#### (8) MISCELLANEOUS

- (a) There is no contract or arrangement entered into by any member of the Group subsisting at the date of this circular in which any Director is materially interested and which is significant to the business of the Group.

- (b) As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which had been acquired, disposed of by or leased to, or which were proposed to be acquired, disposed of by or leased to, any member of the Group since 31 March 2008, the date to which the latest published audited consolidated financial statements of the Group were made up.
- (c) The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and the head office and principal place of business in Hong Kong is at Room 2001, 20/F., Lippo Centre, Tower Two, 89 Queensway Road, Hong Kong.
- (d) The branch share registrar and transfer office of the Company in Hong Kong is Tricor Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong.
- (e) The company secretary of the Company is Mr. Yip Yuk Sing. Mr. Yip has extensive experience in accounting and financial management. He holds a bachelor's degree in Accounting and a Master degree in Corporate Finance. He is a fellow member of the Association of Chartered Certified Accountants and an associate member of the Hong Kong Institute of Certified Public Accountants.

**(9) DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection at the principal place of business of the Company in Hong Kong at Room 2001, 20/F., Lippo Centre, Tower Two, 89 Queensway, Hong Kong during normal business hours on any Business Day from the date of this circular up to and including the date of the SGM:

- (a) the memorandum of association and bye-laws of the Company;
- (b) the annual reports of the Company for each of the two years ended 31 March 2007 and 31 March 2008 respectively;
- (c) the interim report of the Company for the six months ended 30 September 2008;
- (d) the material contracts referred to in the paragraph headed "Material Contracts" in this appendix;
- (e) the valuation report, the text of which is set out in Appendix II to this circular;
- (f) the written consent of the expert referred to in the paragraph headed "Expert and Consent" in this Appendix; and
- (g) the circular of the Company dated 30 June 2009.

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## NOTICE OF SGM

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# CHINA PROPERTIES INVESTMENT HOLDINGS LIMITED 中國置業投資控股有限公司\*

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 736)

**NOTICE IS HEREBY GIVEN** that a special general meeting (the “**Meeting**”) of China Properties Investment Holdings Limited (the “**Company**”) will be held at Falcon Room 1, Luk Kwok Hotel, 72 Gloucester Road, Wanchai, Hong Kong on Friday, 31 July 2009 at 10:30 a.m. for the purpose of considering and, if thought fit, passing the following resolution with or without amendments as ordinary resolution:

### ORDINARY RESOLUTION

“**THAT** the conditional sale and purchase agreement (the “**Sale and Purchase Agreement**”) dated 22 June 2009 entered into between the Company as vendor and Hu Xi Niu, Hu Zhi Shu, Hu Biao, Hu Sui Bian, Hu Sui Dan, Hu Bin, Zhu Chang Jun, Zhou Mei Hong# (the “**Purchasers**”) as purchasers in relation to the sale and purchase of the whole of basement level one and ground level of the commercial unit situated at Nos. 277 and 289 Lan Xi Road, Putuo District, Shanghai, the People’s Republic of China (the “**Property**”) (a copy of which is marked “A” and produced to the Meeting and signed by the chairman of the Meeting for identification purpose) be and is hereby ratified, confirmed and approved and the directors (the “**Directors**”) of the Company be and are hereby authorised to do all such acts and things and execute all such documents which they consider necessary, desirable or expedient for the implementation of and giving effect to the Sale and Purchase Agreement and the transactions contemplated thereunder.”

By order of the Board  
**China Properties Investment Holdings Limited**  
**Yu Wai Fong**  
*Chairman*

Hong Kong, 14 July 2009

*Registered office:*

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

*Head office and principal place of  
business in Hong Kong:*

Room 2001, 20/F.  
Lippo Centre Tower Two  
89 Queensway Road  
Hong Kong

\* *for identification purpose only*

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## NOTICE OF SGM

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# *The English translation of Chinese names or words in this announcement is included for information purpose only, and should not be regarded as the official English translation of such Chinese names or words.*

*Notes:*

1. Any member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxies (if the member is a holder of two or more shares) to attend and vote in his/her stead. A proxy need not be a member of the Company.
2. In order to be valid, the form of proxy must be duly lodged at the Company's branch registrar in Hong Kong, Tricor Secretaries Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong together with a power of attorney or other authority, if any, under which it is duly signed or a notarially certified copy of that power of attorney or authority, not less than 48 hours before the time for holding the meeting or any adjourned meeting.
3. Completion and return of a form of proxy will not preclude a member from attending in person and voting at the above meeting or any adjournment thereof, should he so wish, and in such event, the form of proxy shall be deemed to be revoked.